

1 UNITED STATES DISTRICT COURT  
2 EASTERN DISTRICT OF PENNSYLVANIA

3 BLUE CROSS BLUE SHIELD ) 2:13-cv-04663-JS  
4 ASSOCIATION, et al., ) Philadelphia, PA  
5 )  
6 Plaintiffs, ) January 12, 2016  
7 ) 2:28 p.m.- 2:33 p.m.  
8 V. )  
9 )  
10 GLAXOSMITHKLINE, LLC, )  
11 Defendants. )

12 TRANSCRIPT OF STATUS CONFERENCE  
13 BEFORE THE HONORABLE JUAN R. SANCHEZ  
14 UNITED STATES DISTRICT JUDGE

15 APPEARANCES:

16 For the Plaintiffs: PETER ST. PHILLIP, ESQ.  
17 LOWEY, DANNENBERG, COHEN &  
18 HART, P.C.  
19 200 Barr Harbor Drive  
20 Suite 400  
21 West Conshohocken, PA 19428  
22 (610) 941-2760  
23 pstphillip@lowey.com  
24 For the Defendants: JOSEPH E. O'NEIL, ESQ.  
25 LAVIN, O'NEIL, CEDRONE &  
DISIPIO  
190 N. Independence Mall West  
6th & Race Streets, Suite 500  
Philadelphia, PA 19106  
(215) 627-0303  
joneil@lavin-law.com

ESR Operator: Brian Johnson  
Transcriber: Erika Newton

Veritext National Court Reporting Company  
Mid-Atlantic Region  
1801 Market Street Suite 1800  
Philadelphia, PA 19103  
1-888-777-6690

Proceedings recorded by electronic sound recording; transcript  
produced by transcription service.

I N D E X

COLLOQUY

3

## P R O C E E D I N G S

(DISCLAIMER: Unintelligible dialects and witness too close to microphone noted as "indiscernible")

(Call to the Order of the Court.)

THE COURT: So it's pretty much a status conference.

I had stayed the proceedings pending the Thursday, Court of Appeal's ruling on the Avandia Marketing, Sales Practices & Product Liability Litigation, Term No. 14-88018 and that case was recently decided.

So I guess this is to discuss the status of the case and the impact of that case on this case as to whether we need to move forward or I need to hear argument or rebrief the issue that had been pending before I put the case on stay. So where are we?

MR. O'NEIL: Your Honor, if I may?

THE COURT: Yes, you may.

MR. O'NEIL: With the Court's permission. Joseph O'Neil for Glaxo Smith Kline.

THE COURT: Okay.

MR. O'NEIL: Your Honor, counsel did confer before arriving here today and what we would like to suggest to the Court if you're so inclined is that GSK have a 14 day period to submit a short memorandum on the impact of the Avandia decision and the pending Motion to Dismiss. And plaintiffs have requested that if the Court grants that, our request, that they

1 be permitted 14 days to provide the Court with a short response  
2 to that. And by short, we are suggesting no more than 10 pages.

3 THE COURT: Okay. Very well.

4 MR. PHILLIP: And, Your Honor, that's -- we had  
5 agreed to that. It's not plaintiff's position necessarily that  
6 it's necessary. To the extent the Court believes that's its  
7 necessary then we're agreeable to it.

8 THE COURT: Right. I think it will be helpful so --  
9 and what I will do is once I get your submissions I will quickly  
10 review it and if I can rule quickly I will. This was at the  
11 Motion to Dismiss status, right?

12 MR. PHILLIP: That's correct, Your Honor.

13 THE COURT: So once I rule on the motions, we'll  
14 need to reconvene and if -- depending on my decision, we may  
15 need to reconvene and we may need to do a case management order  
16 to put in place because we didn't have anything in place, did  
17 we?

18 MR. PHILLIP: No, we did not, Your Honor.

19 THE COURT: All right.

20 MR. PHILLIP: We have exchanged some initial  
21 disclosures.

22 THE COURT: Right.

23 MR. PHILLIP: In connection with Rule 26 but there  
24 has not been, beyond the Motion to Dismiss proceedings, there  
25 hasn't been other proceedings in the case at the time that Your

1 Honor stated.

2 THE COURT: Very well. So I'll take it one step at  
3 a time. Let's just first, within the next 25 to 30 days deal  
4 with this review of your memos. I think I had heard argument on  
5 this matter way before so I think I have a good handle on the  
6 issue. And I have read the Avandia opinion. So hopefully I'll  
7 be in a position to rule fairly soon after I hear -- I read your  
8 submissions and depending on my ruling you may have to come back  
9 in or I may ask that you meet and confer and develop a case  
10 management order appropriate for this case. Okay.

11 MR. PHILLIP: That's fine, Your Honor. And just for  
12 clarity sake. You just want a briefing on the Avandia decision  
13 and how it was.

14 THE COURT: Right. The impact of the Avandia  
15 decision and the pending -- we had a pending Motion to Dismiss  
16 that was argued.

17 MR. PHILLIP: That's correct, Your Honor.

18 THE COURT: Subsequently, we put the case on stay  
19 because the impact of that decision would have been, according  
20 to some of you, have an impact on this case and I want to know  
21 exactly what your position is with regards to the impact of  
22 Avandia and this case. And what do I need to do to resolve the  
23 dispute or get the case moving.

24 MR. PHILLIP: That's great. Thank you, Your Honor.

25 THE COURT: All right.

1 MR. O'NEIL: And, Your Honor, just so the record is  
2 clear. I had down that our submission would be provided to the  
3 Court by January 26th and plaintiff's response, if any, would be  
4 due by February the 9th.

5 THE COURT: I don't have a problem with that. So  
6 then can somebody send me a proposed order with those dates and  
7 I'll sign off on it?

8 MR. PHILLIP: We will.

9 THE COURT: Okay. Thank you very much. Sorry for  
10 bringing you here.

11 MR. PHILLIP: Thank you very much, Your Honor.

12 THE COURT: Have a good day.

13 THE DEPUTY SHERIFF: All rise.

14 (Proceeding concluded at 2:33 p.m.)  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

\* \* \* \* \*

CERTIFICATION

I, Erika B. Newton, certify that the foregoing is a correct transcript from the official electronic sound recording of the proceedings in the above-entitled matter.

Dated: January 26, 2016

A handwritten signature in black ink, appearing to read "Erika B. Newton". The signature is written in a cursive, flowing style.

<b>A</b> above-entitled 7:6 agreeable 4:7 agreed 4:5 al 1:3 Appeal's 3:7 <b>APPEARANCES</b> 1:9 appropriate 5:10 argued 5:16 argument 3:12 5:4 arriving 3:21 <b>ASSOCIATION</b> 1:3 Avandia 3:7,23 5:6 5:12,14,22	conference 1:7 3:5 connection 4:23 Conshohocken 1:12 correct 4:12 5:17 7:5 counsel 3:20 Court 1:1,20 3:4,5 3:6,16,19,22,25 4:1,3,6,8,13,19,22 5:2,14,18,25 6:3,5 6:9,12 Court's 3:17 <b>CROSS</b> 1:2	Erika 1:19 7:4 ESQ 1:10,14 ESR 1:18 et 1:3 exactly 5:21 exchanged 4:20 extent 4:6	issue 3:12 5:6	Newton 1:19 7:4 noted 3:3
<b>B</b> B 7:4 back 5:8 Barr 1:11 believes 4:6 beyond 4:24 BLUE 1:2,2 Brian 1:18 briefing 5:12 bringing 6:10	<b>D</b> D 2:1 3:1 <b>DANNENBERG</b> 1:10 Dated 7:8 dates 6:6 day 3:22 6:12 days 4:1 5:3 deal 5:3 decided 3:9 decision 3:23 4:14 5:12,15,19 Defendants 1:6,14 depending 4:14 5:8 DEPUTY 6:13 develop 5:9 dialects 3:2 DISCLAIMER 3:2 disclosures 4:21 discuss 3:10 DISIPIO 1:15 Dismiss 3:24 4:11 4:24 5:15 dispute 5:23 DISTRICT 1:1,1,8 Drive 1:11 due 6:4	<b>F</b> fairly 5:7 February 6:4 fine 5:11 first 5:3 foregoing 7:4 forward 3:12	<b>J</b> January 1:4 6:3 7:8 Johnson 1:18 joneil@lavin-law... 1:17 Joseph 1:14 3:17 JUAN 1:8 JUDGE 1:8	<b>O</b> O 3:1 official 7:5 Okay 3:19 4:3 5:10 6:9 once 4:9,13 Operator 1:18 opinion 5:6 order 3:4 4:15 5:10 6:6 O'Neil 1:14,14 3:15 3:17,18,20 6:1
<b>C</b> C 3:1 Call 3:4 case 3:8,10,11,11 3:13 4:15,25 5:9 5:10,18,20,22,23 CEDRONE 1:14 CERTIFICATI... 7:2 certify 7:4 clarity 5:12 clear 6:2 close 3:2 COHEN 1:10 COLLOQUY 2:3 come 5:8 Company 1:20 concluded 6:14 confer 3:20 5:9	<b>E</b> E 1:14 2:1 3:1,1 EASTERN 1:1 electronic 1:24 7:5	<b>G</b> G 3:1 Glaxo 3:18 GLAXOSMITH... 1:6 good 5:5 6:12 grants 3:25 great 5:24 GSK 3:22 guess 3:10	<b>K</b> Kline 3:18 know 5:20	<b>P</b> P 3:1 PA 1:3,12,16,22 pages 4:2 pending 3:6,13,24 5:15,15 PENNSYLVANIA 1:1 period 3:22 permission 3:17 permitted 4:1 PETER 1:10 Philadelphia 1:3,16 1:22 PHILLIP 1:10 4:4 4:12,18,20,23 5:11,17,24 6:8,11 place 4:16,16 plaintiffs 1:4,10 3:24 plaintiff's 4:5 6:3 position 4:5 5:7,21 Practices 3:7 pretty 3:5 problem 6:5 Proceeding 6:14 proceedings 1:24 3:6 4:24,25 7:6 produced 1:25 Product 3:8 proposed 6:6
		<b>H</b> handle 5:5 Harbor 1:11 HART 1:11 hear 3:12 5:7 heard 5:4 helpful 4:8 Honor 3:15,20 4:4 4:12,18 5:1,11,17 5:24 6:1,11 HONORABLE 1:8 hopefully 5:6	<b>L</b> LAVIN 1:14 Let's 5:3 Liability 3:8 Litigation 3:8 LLC 1:6 LOWEY 1:10	
		<b>I</b> impact 3:11,23 5:14,19,20,21 inclined 3:22 Independence 1:15 indiscernible 3:3 initial 4:20	<b>M</b> Mall 1:15 management 4:15 5:10 Market 1:21 Marketing 3:7 matter 5:5 7:6 meet 5:9 memorandum 3:23 memos 5:4 microphone 3:3 Mid-Atlantic 1:20 Motion 3:24 4:11 4:24 5:15 motions 4:13 move 3:12 moving 5:23	
			<b>N</b> N 1:15 2:1 3:1 National 1:20 necessarily 4:5 necessary 4:6,7 need 3:11,12 4:14 4:15,15 5:22	



<p>provide 4:1 provided 6:2 pstphillip@lowe... 1:13 put 3:13 4:16 5:18 P.C 1:11 p.m 1:4,4 6:14</p> <hr/> <p><b>Q</b></p> <p>quickly 4:9,10</p> <hr/> <p><b>R</b></p> <p>R 1:8 3:1 Race 1:16 read 5:6,7 rebrief 3:12 reconvene 4:14,15 record 6:1 recorded 1:24 recording 1:24 7:5 regards 5:21 Region 1:20 Reporting 1:20 request 3:25 requested 3:25 resolve 5:22 response 4:1 6:3 review 4:10 5:4 right 4:8,11,19,22 5:14,25 rise 6:13 rule 4:10,13,23 5:7 ruling 3:7 5:8</p> <hr/> <p><b>S</b></p> <p>S 3:1 sake 5:12 Sales 3:7 SANCHEZ 1:8 send 6:6 service 1:25 SHERIFF 6:13 SHIELD 1:2 short 3:23 4:1,2 sign 6:7 Smith 3:18 somebody 6:6</p>	<p>soon 5:7 Sorry 6:9 sound 1:24 7:5 ST 1:10 stated 5:1 STATES 1:1,8 status 1:7 3:5,10 4:11 stay 3:13 5:18 stayed 3:6 step 5:2 Street 1:21 Streets 1:16 submission 6:2 submissions 4:9 5:8 submit 3:23 Subsequently 5:18 suggest 3:21 suggesting 4:2 Suite 1:12,16,21</p> <hr/> <p><b>T</b></p> <p>take 5:2 Term 3:8 Thank 5:24 6:9,11 think 4:8 5:4,5 Thursday 3:6 time 4:25 5:3 today 3:21 Transcriber 1:19 transcript 1:7,24 7:5 transcription 1:25</p> <hr/> <p><b>U</b></p> <p>Unintelligible 3:2 UNITED 1:1,8</p> <hr/> <p><b>V</b></p> <p>V 1:5 Veritext 1:20</p> <hr/> <p><b>W</b></p> <p>want 5:12,20 way 5:5 West 1:12,15 we'll 4:13</p>	<p>we're 4:7 witness 3:2</p> <hr/> <p><b>X</b></p> <p>X 2:1</p> <hr/> <p><b>1</b></p> <p>1-888-777-6690 1:23 10 4:2 12 1:4 14 3:22 4:1 14-88018 3:8 1800 1:21 1801 1:21 190 1:15 19103 1:22 19106 1:16 19428 1:12</p> <hr/> <p><b>2</b></p> <p>2:13-cv-04663-JS 1:2 2:28 1:4 2:33 1:4 6:14 200 1:11 2016 1:4 7:8 215 1:17 25 5:3 26 4:23 7:8 26th 6:3</p> <hr/> <p><b>3</b></p> <p>3 2:3 30 5:3</p> <hr/> <p><b>4</b></p> <p>400 1:12</p> <hr/> <p><b>5</b></p> <p>500 1:16</p> <hr/> <p><b>6</b></p> <p>6th 1:16 610 1:13 627-0303 1:17</p> <hr/> <p><b>9</b></p>	<p>9th 6:4 941-2760 1:13</p>	
--	--	--	----------------------------------	--